

**IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF TEXAS**

**TYLER DIVISION**

**DATE:** June 29, 2010

**JUDGE**  
LEONARD DAVIS

**COURT REPORTER**  
Shea Sloan

**Law Clerks:** Natalie Alfaro

<b>SOVERAIN SOFTWARE, LLC</b>  <b>vs.</b>  <b>NEWEGG, INC. LTD</b>	<b>CIVIL ACTION NO: 6:07-CV-511</b>  <b>POST-TRIAL EVIDENTIARY HEARING</b>
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<b>ATTORNEYS FOR PLAINTIFF</b>	<b>ATTORNEYS FOR DEFENDANTS</b>
Kenneth Adamo (Jones Day) Barry Satine (Jones Day) Ognjan Shentov (Jones Day) Michael Smith (Siebman Reynolds) Katherine Wolanyk - Client Representative	Kent Baldauf (The Webb Lawfirm) Dave Hanson (The Webb Lawfirm) Daniel Brean (The Webb Lawfirm) James Bosco Claudia Frost (Pillsbury Winthrop Shaw Pittman) Lee Cheng (Newegg)

On this day, came the parties by their attorneys and the following proceedings were had:

OPEN: 9:00 am

ADJOURN: 11:15 am

9:00 am	Mr. Adamo, Mr. Smith, Mr. Shentov, Mr. Satine, and Ms. Wolanyk announced ready for Soverain. Ms. Frost, Mr. Cheng, Mr. Bauldauf, Mr. Brean and Mr. Bosco announced ready for Newegg. Ms. Frost also indicated they had some witnesses present.
	Court inquired as what the witnesses were to testify to. Ms. Frost responded as to design around and on-going royalties. Mr. Adamo responded and not prepared for testimony. Court inquired if plaintiff given notice of witness testimony. Ms. Frost responded.
	Court inquired of the parties why this case was not settled after the jury verdict. Mr. Adamo responded. Ms. Wolanyk responded. Mr. Cheng addressed the Court on the mediation.
	Court would like to take #407, Newegg's JMOL on non-infringement.
	Ms. Frost presented <b>Newegg's JMOL on Non-Infringement, Invalidity and Motion for New Trial (Dkt #407)</b> . Ms. Frost addressed the infringement issues.
	Mr. Shentov responded. Ms. Frost replied. Mr. Shentov further responded. Ms. Frost responded as to customers using the system. Mr. Shentov further responded. Ms. Frost further replied.

**DAVID J. MALAND, CLERK**

**FILED: 6.29.2010**

BY: Rosa L. Ferguson , Courtroom Deputy

	Mr. Bauldauf presented argument on the plurality and modification. Mr. Shentov responded. Mr. Baldauf replied. Mr. Shentov responded as to the two-step process. Parties continued to discuss.
	Ms. Frost presented argument on the hyper-text. Mr. Shentov responded. Ms. Frost replied. Mr. Brean addressed the Court. Ms. Frost further addressed the Court. Mr. Shentov responded.
	Court will move on to Soverain's JMOL on direct infringement.
	Mr. Shentov presented <b>Soverain's JMOL on Direct Infringement (Dkt #402)</b> . Ms. Frost responded on the '639 Patent. Mr. Shentov responded. Court addressed Ms. Frost. Ms. Frost responded. Mr. Shentov further responded. Ms. Frost further responded. Court inquired as to claim construction of receiving being an issue. Mr. Shentov responded. Ms. Frost responded.
	Court will move on to the Invalidity JMOL.
	Ms. Frost presented <b>Newegg's JMOL on Invalidity (Dkt #407)</b> . Mr. Shentov responded.
	Court will move on to Newegg's JMOL on damages, motion for new trial or remittitur.
	Ms. Frost presented <b>Newegg's JMOL on Damages and Alternative Motion for New Trial or Remittitur (Dkt #406)</b> . Court addressed Ms. Frost on the jury's verdict. Ms. Frost responded as to the lump-sum vs running royalty. Mr. Satine responded. Ms. Frost responded as to the evidence of the use based royalty.
	Court will move on to Soverain's Motion for an Injunction or Ongoing Royalties.
	Mr. Adamo presented <b>Soverain's Motion for an Injunction or in the Alternative, Ongoing Royalties (Dkt #403)</b> . Ms. Frost responded. Mr. Adamo replied.
	Court would like to hear argument regarding on-going royalty. Mr. Adamo presented argument. Ms. Frost responded and presented Newegg's Motion to Strike (Dkt #411). Mr. Adamo responded. Ms. Frost presented argument on the on-going royalty. Court addressed Ms. Frost on the design-around. Mr. Adamo replied. Ms. Frost further responded. Mr. Adamo further replied.
	Court inquired as to the Motion for Pre-Judgment Interest and Costs. Parties stand on the papers.
	Court inquired as to post-verdict damages. Mr. Satine responded. Ms. Frost responded as to the post-verdict damages.
	Court will get a ruling as quickly as possible.
11:15 am	There being nothing further, Court adjourned for the day.